

Montgomery County, Maryland
Solid Waste Fund Financial Disclosure
Fiscal Year 2004

Introduction

This document contains updated Fiscal Year 2004 financial information for the Montgomery County, Maryland Solid Waste Fund. This information is being provided in relation to the Montgomery County Solid Waste Disposal System Refunding Revenue Bonds (2003 Series A) and the Northeast Maryland Waste Disposal Authority Solid Waste Refunding Revenue Bonds (Montgomery County Solid Waste Disposal System) Series 2003 (collectively, the “Bonds”).

Audited Financial Information

The audited financial information pertaining to the Montgomery County, Maryland Solid Waste Fund has been filed under separate cover as part of the County’s Comprehensive Annual Financial Report for Fiscal Year 2004.

Material Changes to Chapter 48

There have been no material changes to Chapter 48 since the dates of the official statements relating to the Bonds.

Updates to Description of County System

The description of the County System set forth in the official statements relating to the Bonds under the headings “Legislative Authority,” “Solid Waste Management Plan,” “Master Authorization” and “Disposal System Revenues” remains materially correct except as updated as follows:

Long Term Expenses are (a) any amounts payable by the County pursuant to Long Term Obligations and (b) debt service on certain general obligation bonds that the County issued prior to adoption of the Master Authorization and of which \$108,133 in principal amount remains outstanding. Under the Master Authorization, the available fund balances that may be taken into account in determining compliance with the Rate Covenant may not exceed 25% of the rates, fees, and charges which would have to be imposed to meet the Rate Covenant if such balances were not considered.

Updated Financial Information

The following tables update the financial information set forth in the official statements relating to the Bonds:

Table 3

Historical Waste Disposal Methods for County Generated Waste (in tons)

Waste Disposal by Type of Facility

	2000	2001	2002	2003	2004
County System					
Refuse Sent to Resource Recovery Facility ¹	495,003	522,686	575,312	624,445	639,764
By-Pass; Accepted But Not Burned (Pilot Test)	0	0	0	0	6,405
Yard Waste at County System Facilities	67,755	72,573	70,730	89,077	79,051
Other Recyclables at County System Facilities ²	80,382	87,580	91,470	93,682	132,039
Nonprocessible Waste at County Facilities	50,854	52,463	66,119	60,959	124,049
Total Solid Waste Processed by County System	693,994	735,302	803,631	868,163	981,308
Non-County System					
Back-yard composting	108,378	106,736	110,100	99,457	82,274
Recyclables at Non-County System Facilities	104,964	127,172	140,359	153,531	158,961
Exported Refuse	178,257	181,078	157,651	141,190	158,153
Total Solid Waste Disposed by Non-County System Facilities	391,599	414,986	408,110	394,178	399,388
Total County Generated Waste	1,085,593	1,150,288	1,211,741	1,262,341	1,380,696

1. Refuse loaded on rail to RRF plus residue from County yard trim recycling facility to RRF.

2. Does not include metals recovered from residue.

Disposition of Waste Delivered to Resource Recovery Facility

	2000	2001	2002	2003	2004
Waste reduction through combustion	340,393	363,338	388,075	424,736	449,415
Metals recovered from Residue	16,696	14,623	16,447	19,504	19,626
Ash Recycled	36,846	29,775	--	--	--
Ash Landfilled	101,068	114,950	170,790	180,205	190,349
Total Refuse combusted at Resource Recovery Facility ¹	495,003	522,686	575,312	624,445	659,390

1. Refuse loaded on rail to RRF plus residue from County yard trim recycling facility to RRF.

Source: Montgomery County, Maryland

Table 6

**Annual Per-Household Rates of Residential
System Benefit Charges**

	1999	2000	2001	2002	2003	2004	2005
Single Family ¹ (\$ per Dwelling Unit)							
Solid Waste Disposal Fee	\$49.44	\$44.83	\$39.77	\$32.69	\$40.34	\$45.47	\$52.67
Base System Benefit Charge	98.04	86.23	75.86	61.31	65.21	50.92	39.69
Incremental System Benefit Charge	<u>57.71</u>	<u>76.90</u>	<u>76.25</u>	<u>76.47</u>	<u>64.92</u>	<u>80.31</u>	<u>96.92</u>
Total Single- Family	\$205.19	\$207.96	\$191.88	\$170.47	\$170.47	\$176.70	\$189.28
Multi-Family ² (\$ per Dwelling Unit)							
Base System Benefit Charge	\$49.47	\$50.55	\$38.59	\$39.58	\$25.19	\$27.60	\$ 8.46
Incremental System Benefit Charge	<u>2.11</u>	<u>7.05</u>	<u>5.26</u>	<u>4.16</u>	<u>16.10</u>	<u>9.05</u>	<u>12.10</u>
Total Multi- Family	\$51.58	\$57.60	\$43.85	\$43.74	\$41.29	\$36.65	\$20.56
Incorporated Municipality Base System Benefit Charge (\$ per Dwelling Unit)	\$98.04	\$86.23	\$75.86	\$61.31	\$65.21	\$50.92	\$39.69
Non-Residential Charges (average \$ per 2000 square feet)	\$287.63	\$316.86	\$284.28	\$283.39	\$275.95	\$222.88	\$163.81

1. Residences in multi-family buildings with six or fewer units

2. Buildings with seven or more units

Source: Montgomery County, Maryland

Table 8

Solid Waste Disposal Fund
Historical Revenues and Expenses – Budgetary Basis

	2000	2001	2002	2003	2004
Revenues¹					
Tipping Fees	\$13,431,222	\$15,039,834	\$17,168,088	\$18,954,480	\$23,321,563
System Benefit Charges	68,181,281	64,690,899	61,744,879	59,510,287	57,820,672
Miscellaneous	2,270,134	2,940,838	2,373,088	2,351,386	3,946,765
Investment Income	4,800,322	6,087,073	2,693,124	2,192,984	1,178,923
Subtotal Revenues	88,682,959	88,758,644	83,979,180	83,009,137	86,267,923
Interfund Transfers					
Charge to General Fund for County Agency Waste	1,400,949	1,157,550	1,377,550	1,155,580	1,316,550
Distribution of Excess Series 1993 Bond Proceeds	901,482	-	-	-	-
Transfer from Leaf Vacuuming Fund					624,900
Indirect Costs Paid to General Fund	(750,920)	(1,092,000)	(1,431,490)	(1,381,407)	(919,540)
Subtotal Inter-fund Transfers	1,551,511	65,550	(53,940)	(225,827)	1,021,910
Expenditures¹					
Personnel Costs	(4,066,082)	(4,439,603)	(4,717,761)	(3,605,105)	(5,876,629)
Operating Expenses	(75,743,975)	(72,843,914)	(74,232,591)	(74,397,886)	(83,152,646)
Capital Outlay	(1,608,509)	(3,231,934)	(2,065,924)	(979,754)	(1,544,055)
Subtotal Expenditures	(81,418,566)	(80,515,451)	(81,016,276)	(78,982,745)	(90,573,330)
Other Fixed Assets Acquisition	(1,987,518)	(940,490)	(373,644)	(276,674)	(110,253)
Landfill Costs²	(298,000)	904,000	(189,541)	(825,688)	(938,994)
Net Change	\$6,530,386	\$8,272,254	\$2,345,779	\$2,698,203	(\$4,332,744)

1. This table does not include leaf vacuuming collection charges or associated expenses which were included in the Disposal Fund for this period. Beginning in 2004, the County began to account for leaf vacuuming revenues and expenses in a separate fund.

2. Represents the payout of closure costs, less current year accrued closure costs.

Source: Montgomery County, Maryland

Table 10

**Solid Waste Disposal Fund
Ending Cash and Investments**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Unrestricted equity in pooled cash and investments	\$51,445,319	\$40,533,275	\$41,760,959	\$50,190,820	\$47,970,453
Restricted equity in pooled cash and investments	26,285,136	38,132,716	38,669,556	31,483,785	31,593,539
Restricted investments	<u>4,325,060</u>	<u>4,325,060</u>	<u>4,325,060</u>	<u>3,153,552</u>	<u>3,123,233</u>
Total ending cash and investments	<u>\$82,055,515</u>	<u>\$82,991,051</u>	<u>\$84,755,575</u>	<u>\$84,828,157</u>	<u>\$82,687,225</u>

Source: Montgomery County, Maryland